

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 251, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 6-2.5-7-1 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. ~~For purposes of (a)~~
5 **The definitions in this section apply throughout** this chapter.
6 **(b)** "Kerosene" has the same meaning as the definition contained in
7 IC 16-44-2-2.
8 **(c)** "Gasoline" has the same meaning as the definition contained in
9 IC 6-6-1.1-103.
10 **(d)** "Special fuel" has the same meaning as the definition contained
11 in IC 6-6-2.5-22.
12 **(e)** "Unit" means the unit of measure, such as a gallon or a liter, by
13 which gasoline or special fuel is sold.
14 **(f)** "Metered pump" means a stationary pump which is capable of
15 metering the amount of gasoline or special fuel dispensed from it and
16 which is capable of simultaneously calculating and displaying the price
17 of the gasoline or special fuel dispensed.
18 **(g)** "Indiana gasoline tax" means the tax imposed under IC 6-6-1.1.
19 **(h)** "Indiana special fuel tax" means the tax imposed under
20 IC 6-6-2.5.
21 **(i)** "Federal gasoline tax" means the excise tax imposed under

1 Section 4081 of the Internal Revenue Code.

2 (j) "Federal special fuel tax" means the excise tax imposed under
3 Section 4041 of the Internal Revenue Code.

4 (k) "Price per unit before the addition of state and federal taxes"
5 means an amount which equals the remainder of:

6 (i) (1) the total price per unit; minus

7 (ii) (2) the state gross retail, Indiana gasoline or special fuel, and
8 federal gasoline or special fuel taxes which are part of the total
9 price per unit.

10 (l) "Total price per unit" means the price per unit at which gasoline
11 or special fuel is actually sold, including the state gross retail, Indiana
12 gasoline or special fuel, and federal gasoline or special fuel taxes which
13 are part of the sales price.

14 (m) "Distributor" means a person who is the first purchaser of
15 gasoline from a refiner, a terminal operator, or supplier, regardless of
16 the location of the purchase.

17 (n) "Prepayment rate" means a rate per gallon of gasoline rounded
18 to the nearest one-tenth of one cent (\$0.001); determined by the
19 department by determining the product of:

20 (1) the statewide average retail price per gallon of gasoline
21 excluding the Indiana and federal gasoline taxes and the Indiana
22 gross retail tax; multiplied by

23 (2) the state gross retail tax rate; multiplied by

24 (3) ninety percent (90%);

25 **under section 14 of this chapter for use in calculating prepayment**
26 **amounts of gross retail tax under section 9 of this chapter.**

27 (o) "Purchase or shipment" means a sale or delivery of gasoline, but
28 does not include:

29 (1) an exchange transaction between refiners, terminal operators,
30 or a refiner and terminal operator; or

31 (2) a delivery by pipeline, ship, or barge to a refiner or terminal
32 operator.

33 (p) "Qualified distributor" means a distributor who:

34 (1) is a licensed distributor under IC 6-6-1.1; and

35 (2) holds an unrevoked permit issued under section 7 of this
36 chapter.

37 (q) "Refiner" means a person who manufactures or produces
38 gasoline by any process involving substantially more than the blending

1 of gasoline.

2 (r) "Terminal operator" means a person that:

3 (1) stores gasoline in tanks and equipment used in receiving and
4 storing gasoline from interstate or intrastate pipelines pending
5 wholesale bulk reshipment; or

6 (2) stores gasoline at a boat terminal transfer that is a dock or tank,
7 or equipment contiguous to a dock or tank, including equipment
8 used in the unloading of gasoline from a ship or barge and used in
9 transferring the gasoline to a tank pending wholesale bulk
10 reshipment.

11 SECTION 2. IC 6-2.5-7-14 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) Before June 10
13 and December 10 of each year, the department shall determine and
14 provide to:

15 (1) each refiner and terminal operator and each qualified
16 distributor known to the department to be required to collect
17 prepayments of the state gross retail tax under this chapter; and

18 (2) any other person that makes a request;
19 a notice of the prepayment rate to be used during the following six (6)
20 month period. The department shall also have the prepayment rate
21 published in the June and December issues of the Indiana Register.

22 (b) In determining the prepayment rate under this section, the
23 department shall use the most recent retail price of gasoline available
24 to the department.

25 (c) **The prepayment rate per gallon of gasoline determined by**
26 **the department under this section is the amount per gallon of**
27 **gasoline determined under STEP FOUR of the following formula:**

28 **STEP ONE: Determine the statewide average retail price per**
29 **gallon of gasoline, excluding the Indiana and federal gasoline**
30 **taxes and the Indiana gross retail tax.**

31 **STEP TWO: Determine the product of the following:**

32 (A) **The STEP ONE amount.**

33 (B) **The Indiana gross retail tax rate.**

34 (C) **Ninety percent (90%).**

35 **STEP THREE: Determine the lesser of:**

36 (A) **the STEP TWO result; or**

37 (B) **the product of:**

38 (i) **the prepayment rate in effect on the day immediately**

- 1 preceding the day on which the prepayment rate is
 2 redetermined under this section; multiplied by
 3 (ii) one hundred twenty-five percent (125%).
 4 **STEP FOUR: Round the STEP THREE result to the nearest**
 5 **one-tenth of one cent (\$0.001).".**
 6 Page 1, line 4, after "section" insert "**209**".
 7 Page 1, line 4, delete "or".
 8 Page 1, line 4, after "504" insert ", **or 606**".
 9 Page 1, between lines 6 and 7, begin a new paragraph and insert:
 10 "SECTION 3. IC 6-6-2.5-72 IS ADDED TO THE CODE AS A
 11 **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,**
 12 **2006]: Sec. 72. The administrator may require that all reports**
 13 **required to be filed under section 56.5, 57, or 60 of this chapter**
 14 **must be filed in an electronic format prescribed by the**
 15 **administrator.".**
 16 Page 6, delete lines 28 through 42.
 17 Delete page 7.
 18 Page 8, delete lines 1 through 5.
 19 Renumber all SECTIONS consecutively.
 (Reference is to SB 251 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 10, Nays 0.

Kenley

Chairperson